

MINUTES OF THE REGULAR MEETING

OF THE

COMMISSIONERS OF THE CHICAGO HOUSING AUTHORITY

November 19, 2002

The Commissioners of the Chicago Housing Authority held its Regular Meeting on Tuesday, November 19, 2002 at 8:30 a.m. at the Robert Taylor Park Community Center, located at 39 West 47th Street in Chicago, Illinois.

The meeting was then called to order by the Chairperson, and upon roll call, those present and absent were as follows:

Present:	Sharon Gist Gilliam
	Lori Healey
	Hallie Amey
	Leticia Peralta Davis
	Earnest Gates
	Dr. Mildred Harris
	Michael Ivers
	Sandra Young

Absent:	Mamie Bone
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Also present were Montel Gayles, Chief of Staff; Gail Niemann, General Counsel; Chicago Housing Authority Staff Members and the General Public.

There being a quorum present, the meeting duly convened and business was transacted as follows:

Due to previous engagements, Terry Peterson, Chief Executive Officer, was not able to attend the Board Meeting. Therefore, no report was given.

The Chairperson then convened the Public Hearing portion of the meeting by inviting residents and the public at large to address the Board.

Immediately following the Public Hearing portion of the meeting, a Motion was introduced and seconded to adjourn to Executive Session. The Chairperson announced that pursuant to the Open Meetings Act, 5 ILCS 120/2, the Board would adjourn for approximately one (1) hour to discuss pending, probable or imminent litigation, collective negotiating matters, security and personnel matters.

Due to previous engagements, Commissioner Lori Healey, was not able to stay for the entire Board Meeting.

The Commissioners subsequently reconvened in Open Session and Chairperson Gilliam thereupon introduced a Motion to approve the minutes for the Regular Meeting of October 15, 2002. Upon Motion made and properly seconded, the minutes for October's Board Meeting were unanimously approved.

Chairperson Gilliam thereupon introduced the Resolution discussed in Executive Session.

A Motion to approve the Resolution for Item No. 1 discussed in Executive Session was then presented by Commissioner Harris.

(Executive Session Item No. 1)

RESOLUTION NO. 2002-CHA-151

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 1, 2002 requesting that the Board of Commissioners approve the Personnel Action Report for October 2002.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby approves the Personnel Actions for October 2002.

The Motion to adopt the Resolution for Executive Session Item 1 was seconded by Commissioner Amey and the voting was as follows:

Ayes:	Sharon Gist Gilliam
	Hallie Amey
	Leticia Peralta Davis
	Earnest Gates
	Dr. Mildred Harris
	Michael Ivers
	Sandra Young

Nays:	None
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The Chairperson thereupon declared said Motion carried and said Resolution adopted.

Commissioner Davis, Chairperson of the Finance and Audit Committee, then presented the following report. Per Commissioner Davis, the Finance & Audit Committee meeting was held on Wednesday, November 13, 2002 at 1:00 p.m. at the Corporate office, 626 W. Jackson. Todd Gomez, Chief Financial Officer, and his staff presented the Committee with the Treasury and Cash Flow Report as of October 31, 2002, Quarterly Financial Statements and Grant Progress report as of October 30, 2002.

Commissioner Davis then introduced an Omnibus Motion for the approval and adoption of Resolutions for Items A1 through A5 discussed, voted and recommended for approval by the Finance and Audit Committee:

(Item A1)

The FY2003 Comprehensive Budget totaling \$946.4 million includes the following fund categories: The General Fund, in the amount of \$843.9 million, combines the Low-Rent, Capital and Section 8 programs into a block grant as allowed by HUD under the MTW agreement; the PHDEP fund totals \$.5 million, representing the estimated carryover from prior year; the HOPE VI Fund totals \$72.6 million for demolition and revitalization, community and supportive services programs and relocation of tenants; the City/State Fund totals \$11.6 million, which includes a carryover of \$4.3 million from DCCA Grant and other grants totaling \$17.8 million which consists of competitive grants that are used to enhance or augment funding for critical programs and services. The estimated sum of all revenues for fiscal year 2003 and the amount of fiscal year 2003 fund balance available for appropriation in fiscal year 2003, is equal to the estimated sum of all expenditures to be made or incurred.

RESOLUTION NO. 2002-CHA-152

WHEREAS, the Board of Commissioners has reviewed the Board letter dated October 18, 2003, entitled "Approval of the FY2003 Comprehensive Budget";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners, hereby approves the attached, “FY2003 Comprehensive Budget”, and finds with respect to said Budget:

1. that the proposed expenditures are necessary for the efficient and economical operation of the Chicago Housing Authority for the purpose of serving low-income families;
2. that the financial plan is reasonable in that it indicates funding sources adequate to cover all proposed expenditures, and does not provide for use of Federal funding in excess of that payable under the provisions of the applicable Federal regulations; and
3. that all proposed rental charges and expenditures will be consistent with provisions of law and the Annual Contributions Contract in accordance with the Moving To Work Demonstration Agreement of the Chicago Housing Authority with the U.S. Department of Housing and Urban Development.

THAT, the Chief Executive Officer and Chief Financial Officer are authorized to execute and forward to the U.S. Department of Housing and Urban Development all necessary budget documents and supporting information when applicable.

(Item A2)

In December 2000, the Board approved an Intergovernmental Agreement with the City of Chicago for the Chicago Police Department (CPD) to provide supplemental policing services. The agreement provides for the following services: a customized policing plan for the CHA to reduce the incidence of violent crimes, drug trafficking, substance abuse and drug related crimes; enhancement of the Public Housing Section of the CPD; increased vertical foot and car patrol teams in CHA developments and concerted patrol efforts within targeted developments. CPD’s initiative to reduce crime includes working with CHA management, community groups, and other City agencies to help improve the overall quality of life for CHA residents. Comparing the time periods of January-June 1999 to January-June 2002, crime at CHA locations decreased by 40% as compared to 16% citywide. Since 1999, narcotics related arrests at CHA locations increased by 64%. Since January 2002, the CPD Public Housing Section executed over 600 narcotics related missions in or around public housing. The resolution for Item A2 approves an extension of the current Intergovernmental Agreement with the Chicago Police Department.

RESOLUTION NO. 2002-CHA-153

WHEREAS, The Board of Commissioners has reviewed the memorandum dated November 5, 2002 entitled "Authorization to Extend Intergovernmental Agreement with the City of Chicago for Services Provided by the Chicago Police Department".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to execute Extension No. 1 to the Intergovernmental Agreement (“IGA”) with the City of Chicago acting through the Chicago Police Department to extend the IGA to continue providing supplemental policing services to the CHA for an amount not to exceed \$13,600,000 for the period January 1, 2003 through December 31, 2003.

(Item A3)

The Authority is entering into an agreement with Lake Park Crescent I LLC for the development of Lake Park Crescent and is responsible for all environmental remediation and legal costs associated with any potential liabilities from pre-existing conditions. In order to provide the CHA with protection from any unforeseen environmental liability costs, CHA engaged its broker of record, Near North Insurance Brokerage, Inc., to solicit competitive bids for environmental insurance. Near North Insurance Brokerage solicited bids from the only six firms who participate in this line of coverage. In response to this solicitation, two bids (XL Capital Group and Chubb Insurance Group) and four declinations were received. Based upon the analysis of the CHA’s Risk Management Department and the Office of Development Management, XL Capital Group was selected as the recommended awardee. The resolution for Item A3 approves award of contract to XL Capital Group.

RESOLUTION NO. 2002-CHA-154

WHEREAS, The Board of Commissioners has reviewed the memorandum dated October 23, 2002 entitled "Authorization to Award Environmental Insurance Coverage for the Lake Park Crescent Development to XL Capital Group.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to procure a ten- year environmental insurance policy for the Lake Park Crescent Development through its broker of record, Near North Insurance Brokerage, Inc., to be written through XL Capital Group for a one-time premium not-to-exceed \$433,754 subject to HUD approval, if required.

(Item A4)

The CHA has begun replacing obsolete computer hardware and software that has been in operation since 1995. In October 2002, an Invitation for Bid was advertised soliciting qualified firms who could supply and deliver 90 E-4000 computers and 42 HP Laserjet 4100N printers. In November 8 bid proposals were received and opened by the Purchasing Department. The resolution for Item A4 approves award of contract to Insight Direct USA, who submitted the lowest total price proposal.

RESOLUTION NO. 2002-CHA-155

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 4, 2002 entitled “Authorization to enter into a Contract with Insight Direct USA for supply and delivery of Gateway E-4000 Computers and HP Laserjet 4100N Printers”.

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with Insight Direct USA for supply and delivery of Gateway E-4000 Computers and HP Laserjet 4100N Printers for a firm fixed price of \$187,440.00 for a one-year contract term, subject to HUD approval.

(Item A5)

A favorable determination letter for the Plan was issued by the Internal Revenue Service in September 2002. This favorable determination letter is extremely significant because it entitles the Plan, which is qualified under Internal Revenue Code selection, to continue with favorable tax treatment, allowing participants to defer tax until a taxable distribution occurs, allowing plan earnings to accumulate free of tax, and to comply with certain series of tax laws. The IRS favorable determination is subject to the adoption of Amendment Five by the Board of Commissioners. The resolution for Item A1, therefore, approves Amendment No. 5 to the Employee’s Retirement Plan and Trust.

RESOLUTION NO. 2002-CHA-156

WHEREAS, the Board of Commissioners has reviewed Board Letter dated October 21, 2002 Entitled “Authorization to Amend the Chicago Housing Authority Employees’ Retirement Plan and Trust”

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to approve Amendment Five of the Chicago Housing Authority Employees’ Retirement Plan and Trust in the form and as of the effective dates indicated in the attached Amendment.

The Omnibus Motion to adopt resolutions for Items A1 through A5 was seconded by Commissioner Gates and the voting was as follows:

Ayes:	Sharon Gist Gilliam Hallie Amey Leticia Peralta Davis Earnest Gates Dr. Mildred Harris Michael Ivers Sandra Young
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Nays:	None
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There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Finance and Audit Committee report was also accepted in total.

Commissioner Earnest Gates, Chairperson of the Operations & Facility Committee, then presented his monthly report. Per Commissioner Gates, the Operations & Facility Committee held its regular meeting on Wednesday, November 13, 2002 at 1:30 p.m. at the Corporate Office, 626 W. Jackson.

Commissioner Gates then introduced an Omnibus Motion for the adoption of the resolutions for Items B1 through B4 discussed, voted and recommended for Board approval by the Operations and Facilities Committee:

(Item B1)

To effectively assure a continuation of all construction, rehabilitation and capital maintenance activities underway pursuant to the CHA Plan for Transformation while management evaluates the anticipated portfolio of ongoing and new construction services and completes its assessment of the nature and degree of managing owner's representative services currently required, staff recommended to extend the existing contract with Tishman Corporation for an additional four month term. This contract was originally procured on a non-competitive basis approved by HUD. In addition to the current services, a building permit facilitator component will be added, which was initially included under a separate small procurement purchase order. Maintaining the current permit facilitator at this time is essential for keeping the program on schedule. The resolution for Item B1 approves an extension to Tishman's contract.

RESOLUTION NO. 2002-CHA-157

WHEREAS, the Board of Commissioners has reviewed Board Letter dated November 8, 2002 entitled "Authorization to extend Interim Managing Owner's Representative Contract with Tishman Construction Corporation";

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to extend the Contract No. 9733 with Tishman Construction Corporation for services as Interim Managing Owner's Representative for the period of November 20, 2002 until March 20, 2003 in a not-to exceed amount of \$430,000, subject to the approval of the U.S. Department of Housing and Urban Development.

(Item B2)

The CHA designed up to 300 project-based vouchers for use in FY2003 to subsidize private developments in specific geographic areas of the city. Accordingly, a Request For Proposal (RFP) was released in January 2001 and Boulevard Realty Services, managing partner of Roosevelt Tower – I, LLC, submitted a proposal. The first phase of the proposal is Roosevelt Towers – 1, a 126 unit – 8 story, senior high-rise building project which has been submitted to the City of Chicago's Department of Housing for 4% tax credits. The total project construction cost is \$18,039,300 and is scheduled for construction commencement in January 2003. Roosevelt Towers - 1 will serve as a relocation site for CHA senior residents, particularly those from CHA family developments. Project-based statutes and regulations will be followed to lease voucher-assisted units solely to referrals from CHA's waiting lists. The second phase of the proposal calls for the utilization of 168 project based Section 8 vouchers and once financing and site control are finalized, CHA will seek Board approval for Phase II. The resolution for Item B2 approves an Agreement and a HAP contract with Roosevelt Towers – 1, LLC.

RESOLUTION NO. 2002-CHA-158

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 15, 2002 entitled "Request for Authorization to Enter into an Agreement and a Housing Assistance Payments (HAP) Contract to Provide 126 Project-Based Section 8 Vouchers for Roosevelt Towers-1, Senior Housing Development" and concurs in the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, The Board of Commissioners authorizes the Chicago Housing Authority to enter into an Agreement and a Housing Assistance Payments (HAP) Contract with Roosevelt Tower -1, LLC or its nominee for 126 Project-Based Section 8 vouchers for the maximum allowable term for Roosevelt Towers-1, a senior housing development;

subject to the approval of HUD.

The Chief Executive Officer or its designee is authorized, subsequent to HUD approval, to take such actions and execute such other documents and to make such submissions to HUD and the Gautreaux court, as it determines are necessary for closing the above transaction.

(Item B3)

The Resolution for Item B3 approves an Agreement and a HAP Contract with the Chicago Christian Industrial League for 77 project-based Section 8 vouchers. The Chicago Christian League is constructing a new 169 unit single room occupancy building for very low income people at 600 South Wabash. The 600 South Wabash Studios will be an 8-story mixed-used building. There will be 14,000 square feet of retail space on the first floor and 7-stories of residential space above. The residential breakdown will consist of the following: 77 project-based Section 8 units; 50 Shelter-Plus-Care units and 42 City of Chicago Department of Housing Affordable rent units. Funding for the residential portion of the development consists of the following sources: \$1,403,200 first mortgage from Citibank, \$2,956,100 IHDA Supporting Housing funds; \$750,000 from IHDA Trust Fund; \$500,000 in IHDA FAF; \$639,194 from the donation tax credit, \$701,600 in DOH ARC funds, \$400,000 in HUD AHP funds, \$150,000 in DCCA funds, Sponsor loan for the land of \$1,015,200 and 9% low-income tax credits in the amount of \$7,659,814. The total project budget is approximately \$18.5 million.

RESOLUTION NO. 2002-CHA-159

WHEREAS, the Board of Commissioners has reviewed the Board letter dated October 17, 2002 requesting authorization to enter into an Agreement and Housing Assistance Payments (HAP) Contract with the Chicago Christian League to provide 77 Project-based Section 8 Housing Choice Vouchers to the 600 South Wabash Studios housing development and concurs in the recommendation contained therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to enter into an Agreement and a Housing Assistance Payments (HAP) Contract with the Chicago Christian Industrial League or its nominee to provide Project-based Section 8 Voucher assistance to 77 units in the 600 South Wabash Studios housing development for the maximum allowable term, subject to HUD approval.

(Item B4)

The 18.4 acre Cabrini Green Extension North site was awarded a \$50,000,000 HOPE VI Grant by HUD in 1994. A lawsuit filed by the Cabrini Green Local Advisory Council in 1996 precluded CHA and the Habitat Company from implementing the redevelopment activities identified in the Revitalization Plan. The Cabrini Green Consent decree was entered as a settlement of the lawsuit. The Decree required the City of Chicago or its designee to issue a Request For Proposal for parcels to be developed. The Decree also required the formation of a Working Group and Evaluation Panel. The Evaluation Panel is responsible for selecting the developer to carry out the agreed upon activities. In October 2001, an RFP was issued by the City of Chicago Department of Housing. Four responses were received of which one was deemed non-responsive. The Working Group evaluated and ranked the three remaining responses. The recommendation of Holsten/Kenard is being made by consensus of the Evaluation Panel, including CHA, Habitat and the Resident leadership. Holsten/Kenard is a joint venture with two principal partners: Holsten Real Estate Development, headed by Peter Holsten, and The Kenard Corporation, headed by Hal Lichterman. The partnership has identified team members qualified to carry out the essential aspects of the development activities, including architects, urban planners, construction companies, financial planners and social service providers. The Resolution for Item B4 approves Holsten/Kenard as the Development team for the Cabrini Extension North property and gives authorization to enter into negotiations with the Development Team for a Development Agreement.

RESOLUTION NO. 2002-CHA-160

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated October 18, 2002 requesting approval of the Cabrini Extension North Evaluation Panel's consensus recommendation of Holsten/Kenard as the Development Team for the Cabrini Extension North Property and authorization to enter into negotiations with the Development Team;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby 1) approves the Cabrini Extension North Evaluation Panel's consensus recommendation of Holsten/Kenard as the Development Team for the Cabrini Extension North Property; and 2) authorizes the Chief Executive Officer or his designee to enter into negotiation with the Development Team for a development agreement. If the parties cannot agree to mutually acceptable terms, CHA shall terminate such negotiations and begin negotiations with the second top-rated Development Team respondent based on the Evaluation Panel's ranking system.

The Omnibus Motion to adopt resolutions for Items B1 through B4 was seconded by Commissioner Harris and the voting was as follows:

Ayes: Sharon Gist Gilliam
Hallie Amey
Leticia Peralta Davis
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Sandra Young

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Operations and Facilities Committee report was also accepted in total.

Commissioner Sandra Young, Chairperson of the Tenant Services Committee, then presented her monthly report. Per Commissioner Young, the Tenant Services Committee held its regular meeting on Wednesday, November 13, 2002 at 2:00 p.m. at the 626 Corporate Office. The status report on Relocation and Good Neighbors program was rescheduled for presentation at the December Committee Meeting.

Commissioner Young then introduced an Omnibus Motion for the adoption of the resolutions for Items C1 and C2 discussed, voted and recommended for Board approval by the Tenant Services Committee:

(Item C1)

The resolution for Item C1 approves a contract with Windows of Opportunity, in an amount not-to-exceed \$136,350, obtained through a non-competitive procurement, subject to HUD approval. This award will allow Windows of Opportunity to continue performing the following services for the CHA: raise funds for new and ongoing resident initiatives; serve as fiscal sponsor to local/community based organizations that serve CHA communities and residents, serve as fiscal agent to the CHA receiving grants or contributions whose acceptance requires a tax exempt eligibility for tax deductible contributions; form and maintain partnerships/linkage with outside community groups, service providers and work closely with CHA staff and residents to identify gaps in services and seek resources to fill those gaps. As a new addition to the services Windows currently provides, this award will allow Windows to become the administrator of the CHA's Section 3 Education Fund.

RESOLUTION NO. 2002-CHA-161

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the Board Letter dated November 12, 2002, entitled "Authorization to Enter into a Contract with Windows of Opportunity, Inc." and concurs with the recommendations therein;

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners of the Chicago Housing Authority hereby authorizes the Chief Executive Officer or his designee to enter into a Contract with Windows of Opportunity, Inc. for fourteen months, November 1, 2002 to December 31, 2003, in an amount not to exceed \$136,350.00, with a one year option to extend, subject to HUD approval.

(Item C2)

In 1998, the Authority entered into five residential relocation services contracts, each for a base period of two years with three one year options to extend. All five contracts were modified three times. Due to addition of public housing move costs for moves within CHA developments due to the expansion of Phase II buildings, the original planned and approved amounts allocated for two of the five resident relocation contracts have been exceeded. The need to conduct internal public housing moves arose to facilitate the closure of the public housing buildings. C&H Joint ventures is no longer doing business with the CHA, so Reo Movers and Midway Movers were two of the four contractors left who were willing and able to fulfill the expanded demand for moving services. By conducting both Section 8 moves and public housing moves, the CHA has exceeded the original projected amount of funds allocated on the contract with Reo Movers and Midway Movers. The Resolution for Item C2 retroactively covers obligated costs and approves modification of existing contracts with Reo Movers and Midway Movers to cover anticipated costs through December 31, 2002.

RESOLUTION NO. 2002-CHA-162

WHEREAS, the Board of Commissioners of the Chicago Housing Authority has reviewed the memorandum dated November 5, 2002 entitled, "Authorization to enter into contract modifications with Midway Movers and Reo Movers & Van Lines, Inc., for CHA-wide Resident Relocation Services".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Chief Executive Officer or his designee is hereby authorized to modify two existing Resident Relocation Contracts with Midway Movers, for an additional amount of \$88,500 and with Reo Movers & Van Lines, Inc., for an additional amount of \$176,525, subject to HUD approval.

The Omnibus Motion to adopt resolutions for Items C1 and C2 was seconded by Commissioner Gates and the voting was as follows:

Ayes: Sharon Gist Gilliam
Hallie Amey
Leticia Peralta Davis
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Sandra Young

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolutions adopted. The Tenant Services Committee report was also accepted in total.

(Walk-On No. 1)

In March 2002, the Board approved entering into a Redevelopment Agreement with Lake Park Crescent and in June 2002 approved the submission of a Mixed Finance Proposal to HUD. In addition, in July 2002, the Board approved the submission of an application for the disposition of land formerly known as Lake Michigan Homes and a portion of Washington Park Homes, and granted approval to execute other documents as necessary to secure the Lake Park Crescent Development Site. HUD approval of the disposition application was received in October 2002. Notwithstanding the fact that the Board had previously authorized the execution of all other documents necessary to secure the Lake Park Crescent Site, HUD has requested further clarification that the Board has approved entering into a 99 year ground lease with Lake Park Crescent Associates I LP. The resolution for Walk-On Item 1 accordingly approves a 99 year Ground Lese with Lake Park Crescent Associates 1 LP for the Lakefront Redevelopment site.

A Motion to approve Walk-On Item No. I was then presented by Commissioner Gates.

RESOLUTION NO. 2002-CHA-163

WHEREAS, the Board of Commissioners has reviewed the Board Letter dated November 14, 2002, entitled "Authorization to enter into a 99-year ground lease with Lake Park Crescent Associates I LP for the Lakefront Redevelopment Site for a portion of the land to be developed as Lake Park Crescent Rental Phase I".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to enter into a 99 year ground lease with Lake Park Crescent Associates I LP for the Lakefront Redevelopment Site for a portion of the land to be developed as Lake Park Crescent Rental Phase I.

Motion to adopt said resolution was seconded by Commissioner Davis and the voting was as follows:

Ayes: Sharon Gist Gilliam
Hallie Amey
Leticia Peralta Davis
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Sandra Young

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolution adopted.

(Walk-On No. 2)

In September 1999, The Habitat Company and the City of Chicago Department of Planning and Development issued a Request For Proposals for the Redevelopment of the CHA's Lakefront Site. To assist in that effort CHA and The Habitat Company, upon the recommendation of the Working Group, selected the development team, Lake Park Crescent I LLC. On March 19, 2002, the Board approved entering into a Redevelopment Agreement with Lake Park Crescent I LLC. Pursuant to the Redevelopment Agreement, the CHA is required to fund the cost of site remediation for pre-existing conditions (other than costs the developer would have incurred in any event) on a phase by phase basis, subject to certain rights to terminate for infeasibility. HUD has indicated that since a competitive process was engaged in to procure the Lakefront Redevelopment Team, and since the engineered barrier approach to remediation involves construction elements to be performed post-closing, there is justification to enter into a contract for remediation activities with Lake Park Crescent I LLC. The benefits namely are economy of scale, continuity of schedule and continuity of activity. Accordingly, the resolution for Walk-On Item 2 approves award of contract with Lake Park Crescent for environmental remediation activities at the Lakefront Redevelopment Site.

A Motion to approve Walk-On Item No. 2 was then presented by Commissioner Young.

RESOLUTION NO. 2002-CHA-164

WHEREAS, The Board of Commissioners has reviewed the Board Letter dated November 4, 2002 entitled "Authorization To Enter Into A Contract with Lake Park Crescent I LLC for Environmental Remediation Activities at the Lakefront Redevelopment Site".

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners hereby authorizes the Chief Executive Officer or his designee to enter into a contract with Lake Park Crescent I LLC (upon approval of MBE/WBE and Section 3 compliance plans by CHA's Compliance department) for a total amount not to exceed \$4,258,085 (the estimated remediation cost of Phase I) for environmental remediation activities in support of the Lakefront Redevelopment Site (also known as the Lake Park Crescent Project). The term of the Lake Park Crescent I LLC contract shall be the earlier of, the receipt of a "No Further Remediation" letter from the Illinois Environmental Protection Agency with regard to the Lakefront Redevelopment Site or two years, subject to a one year extension if approved by HUD.

Motion to adopt said resolution was seconded by Commissioner Davis and the voting was as follows:

Ayes: Sharon Gist Gilliam
Hallie Amey
Leticia Peralta Davis
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Sandra Young

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolution adopted.

(Walk-On No. 3)

In the summer of 2001, the CHA issued a Request For Proposal to solicit firms to administer the CHA's Section 8 program. The sole respondent was Quadel, the CHA's current administrator of the Section 8 program. The CHA extended the previous contract with Quadel to ensure that there was sufficient time to negotiate a new contract and over the last several months, the CHA has been negotiating contract terms. The new contract will include expanded services and performance standards as well as performance incentives. The expanded services are in the areas of mobility counseling (moves to low poverty) focusing on residents in high poverty areas, better business processes in inspections and customer service, higher percentages for achieving processing times for relocatees, higher goals for homeownership and a marketing and outreach program for voucher holders living in high poverty areas. New initiatives include a special process streamlining initiative to attract and retain landlords with multiple units in low poverty areas. Performance incentives are in the areas of de-concentration and business process improvements. The agreed terms of compensation includes a cost-plus contract where Quadel will receive a budget and a management fee to administer the program. Quadel will also have the opportunity to receive additional fee if performance incentives are achieved. The resolution for Walk-On Item 3 approves award of contract to Quadel.

A Motion to approve Walk-On Item No. 3 was then presented by Commissioner Harris.

RESOLUTION NO. 2002-CHA-165

WHEREAS, the Board of Commissioners has reviewed Board Letter dated November 18, 2002 entitled "Authorization to enter into a contract with Quadel Corporation ("Quadel) to for administration of the Housing Choice Voucher/Section 8 Program."

THEREFORE, BE IT RESOLVED BY THE CHICAGO HOUSING AUTHORITY

THAT, the Board of Commissioners authorizes the Chief Executive Officer or his designee to enter into a contract with Quadel Consulting Corporation and the Chicago Housing Authority for a contract term of December 1, 2002 to December 31, 2004, for an amount not to exceed \$52,304,543.28, subject to the approval of the United States Department of Housing and Urban Development ("HUD").

Motion to adopt said resolution was seconded by Commissioner Davis and the voting was as follows:

Ayes: Sharon Gist Gilliam
Hallie Amey
Leticia Peralta Davis
Earnest Gates
Dr. Mildred Harris
Michael Ivers
Sandra Young

Nays: None

There being no questions or discussion, the Chairperson thereupon declared said Motion carried and said resolution adopted.

There being no further business come before the Commissioners, upon Motion made, seconded and carried, the meeting of the Board of Commissioners was adjourned.

S/B: Sharon Gist Gilliam
Chairperson

S/B: Lee Gill, Custodian and
Keeper of Records